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GENERAL PURPOSE  
FINANCIAL STATEMENTS  
OF THE  
JEFFERSON DAVIS PARISH ASSESSOR  
JENNINGS, LOUISIANA  
AS OF DECEMBER 31, 1995  
AND  
FOR THE TWO YEARS THEN ENDED

under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7-24-96

FREDERICK, NORTON, ROBERT & SCHULTHESS  
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JEFFERSON DAVIS PARISH ASSESSOR  
Jennings, Louisiana

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# FREDERICK, NORTON, ROBERT & SCHULTHESS

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## INDEPENDENT AUDITOR'S REPORT

To the Honorable Bryan D. LeJeune  
Jefferson Davis Parish Assessor  
Jennings, Louisiana

We have audited the general purpose financial statements of the Jefferson Davis Parish Assessor as of December 31, 1995, and for the two years then ended. These general purpose financial statements are the responsibility of the Jefferson Davis Parish Assessor. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and Standards for Audits of Governmental Organizations, Programs, Activities, and Functions, promulgated by the United States General Accounting Office. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Jefferson Davis Parish Assessor as of December 31, 1995, and the results of its operations and changes in fund balance for the two years then ended in conformity with generally accepted accounting principles.

*Frederick, Norton, Robert & Schulthess*

FREDERICK, NORTON, ROBERT & SCHULTHESS

June 26, 1996

JEFFERSON DAVIS PARISH ASSESSOR  
Jennings, Louisiana

COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS  
AS OF DECEMBER 31, 1995

	GOVERNMENTAL -FUND-TYPE-	-ACCOUNT GROUPS-		TOTAL (MEMORANDUM ONLY)
	GENERAL FUND	GENERAL FIXED ASSETS	GENERAL LONG-TERM OBLIGATIONS	
<b>ASSETS:</b>				
Cash (see Note 1E)	\$ 39,507.92			\$ 39,507.92
Ad Valorem Taxes Receivable	164,000.00			164,000.00
Other Receivables	1,368.00			1,368.00
Fixed Assets		\$ 37,685.90		37,685.90
Amount To Be Provided For Capital Lease			\$ 8,703.20	8,703.20
<b>TOTAL ASSETS</b>	<u>\$ 204,875.92</u>	<u>\$ 37,685.90</u>	<u>\$ 8,703.20</u>	<u>\$ 251,265.02</u>
<b>LIABILITIES AND FUND EQUITY</b>				
Liabilities:				
Capital Lease Payable	\$ 0.00		\$ 8,703.20	\$ 8,703.20
Total Liabilities	<u>\$ 0.00</u>		<u>\$ 8,703.20</u>	<u>\$ 8,703.20</u>
Fund Equity:				
Investment in General Fixed Assets		\$ 37,685.90		\$ 37,685.90
Fund Balance - Unreserved - Undesignated	\$ 204,875.92			204,875.92
Total Fund Equity	<u>\$ 204,875.92</u>	<u>\$ 37,685.90</u>		<u>\$ 242,561.82</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u>\$ 204,875.92</u>	<u>\$ 37,685.90</u>	<u>\$ 8,703.20</u>	<u>\$ 251,265.02</u>

The Accompanying Notes are an Integral Part of These Financial Statements

JEFFERSON DAVIS PARISH ASSESSOR  
Jennings, Louisiana

STATEMENT OF REVENUE, EXPENDITURES,  
AND CHANGES IN FUND BALANCE - BUDGET & ACTUAL  
GOVERNMENTAL FUND TYPE - GENERAL FUND  
FOR THE TWO YEARS ENDED DECEMBER 31, 1995 & 1994

	<u>December 31, 1995</u>		<u>December 31, 1994</u>		Variance Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	
<u>REVENUES:</u>					
Ad Valorem Taxes	\$ 164,000.00	\$ 180,913.64	\$ 164,000.00	\$ 158,957.61	\$ (5,042.39)
Interest on Delinquent Taxes	500.00	561.90	400.00	585.63	185.63
Interest on Investments	3200.00	4,335.36	2,300.00	2576.57	276.57
Fees for Tax Roll Preparation	9,400.00	10,811.75	9,400.00	9,763.00	363.00
Intergovernmental Revenue	10,000.00	6,667.00	0.00	3,333.00	3,333.00
<u>TOTAL REVENUES</u>	<u>\$ 187,100.00</u>	<u>\$ 203,289.65</u>	<u>\$ 176,100.00</u>	<u>\$ 175,215.81</u>	<u>\$ (884.19)</u>
<u>EXPENDITURES:</u>					
General Government - Taxation:					
Personal Services	\$ 159,000.00	\$ 153,685.83	\$ 151,300.00	\$ 146,710.23	\$ 4,589.77
Operating Services	10,000.00	11,335.64	8,000.00	9,014.18	(1,014.18)
Material and Supplies	9,100.00	8,985.98	10,600.00	9,581.92	1,018.08
Travel and Other Charges	2,200.00	1,089.56	3,000.00	749.74	2,250.26
Capital Outlay	6,900.00	6,526.88	3,500.00	3,929.22	(429.22)
Interest	0.00	944.55	0.00	773.15	(773.15)
Miscellaneous	2000.00	1,545.00	2,600.00	935.00	1,665.00
<u>TOTAL EXPENDITURES</u>	<u>\$ 189,200.00</u>	<u>\$ 184,113.44</u>	<u>\$ 179,000.00</u>	<u>\$ 171,693.44</u>	<u>\$ 7,306.56</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (2,100.00)	\$ 19,176.21	\$ (2,900.00)	\$ 3,522.37	\$ 6,422.37
<u>OTHER FINANCING SOURCES (USES)</u>					
Reimbursement For Computer Use	0.00	1,368.00	0.00	1,368.00	1,368.00
Excess (Deficiency) of Revenues and Other Financing Over (Under) Expenditures	\$ (2,100.00)	\$ 20,544.21	\$ (2,900.00)	\$ 4,890.37	\$ 7,790.37
Fund Balance - Beginning	184,331.71	184,331.71	179,441.34	179,441.34	0.00
Fund Balance - Ending	<u>\$ 182,231.71</u>	<u>\$ 204,875.92</u>	<u>\$ 176,541.34</u>	<u>\$ 184,331.71</u>	<u>\$ 7,790.37</u>

The Accompanying Notes are an integral part of These Financial Statements

JEFFERSON DAVIS PARISH ASSESSOR  
Jennings, Louisiana

STATEMENT OF REVENUE, EXPENDITURES,  
AND CHANGES IN FUND BALANCE - BUDGET & ACTUAL  
GOVERNMENTAL FUND TYPE - GENERAL FUND  
FOR THE TWO YEARS ENDED DECEMBER 31, 1995 & 1994

	<u>December 31, 1995</u>		<u>December 31, 1994</u>		Variance Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	
<u>REVENUES:</u>					
Ad Valorem Taxes	\$ 164,000.00	\$ 180,913.64	\$ 164,000.00	\$ 158,957.61	\$ (5,042.39)
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Intergovernmental Revenue	10,000.00	6,667.00	0.00	3,333.00	3,333.00
<b>TOTAL REVENUES</b>	<b>\$ 187,100.00</b>	<b>\$ 203,289.65</b>	<b>\$ 176,100.00</b>	<b>\$ 175,215.81</b>	<b>\$ (884.19)</b>
<u>EXPENDITURES:</u>					
General Government - Taxation:					
Personal Services	\$ 159,000.00	\$ 153,685.83	\$ 151,300.00	\$ 146,710.23	\$ 4,589.77
Operating Services	10,000.00	11,335.64	8,000.00	9,014.18	(1,014.18)
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Fund Balance - Ending	\$ 182,231.71	\$ 204,875.92	\$ 176,541.34	\$ 184,331.71	\$ 7,790.37

The Accompanying Notes are an integral part of These Financial Statements

JEFFERSON DAVIS PARISH ASSESSOR  
Jennings, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Article VII, Section 24 of the Louisiana Constitution of 1974, the assessor is elected by the voters of the parish and serves a term of four years beginning January 1 following the year in which elected. A vacancy occurring in the office, in which the unexpired term is one year or more, is filled by a special election to be held within 60 days of the occurrence of the vacancy; a vacancy in which the unexpired term is less than one year, the duties are assumed by the chief deputies.

The Assessor assesses property, prepares tax rolls, and submits the rolls to the Louisiana Tax Commission and other governmental bodies as prescribed by law. The assessor is authorized to appoint as many deputies as may be necessary for efficient operation of the office and provide assistance to the taxpayers of the parish. The deputies are authorized to perform all functions of the office, but the assessor is officially and primarily responsible for the actions of the deputies.

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles of state and local governmental entities. In November of 1984, the GASB issued a codification of governmental accounting and financial reporting standards. This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments.

A. Reporting Entity

For financial reporting purposes, in conformance with GASB Codification Section 2100, the assessor includes all funds, account groups, activities, et cetera, that are controlled by the assessor as an independently elected parish official. The activities of the parish police jury, school board, other independently elected parish officials and municipal level governments are not included within the accompanying financial statements as they are considered autonomous governments. These units of government issue financial statements separate from that of the parish assessor.

B. Fund Accounting

The accounts of the assessor are organized on the basis of funds and account groups, each of which is considered a separate accounting entity.

The operations of each fund are accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues and expenditures. Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The funds presented in the financial statements are described as follows:

1. Governmental Fund Type

General Fund

The General Fund, as provided by Louisiana Revised Statute 47:1906, is the principle fund of the assessor and is used to account for the operation of the assessor's office. Compensation received from ad valorem tax revenue authorized by Act 191 of 1985 is accounted for in this fund. General operating expenditures are paid from this fund.

2. Account Groups

General Fixed Assets Account Group

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group rather than in the governmental funds. General fixed assets provided by the parish police jury are not recorded within the general fixed assets account group. Fixed assets are valued at historical cost or estimated cost if historical cost is not available. No depreciation has been provided on fix assets.

JEFFERSON DAVIS PARISH ASSESSOR  
Jennings, Louisiana

NOTES TO THE FINANCIAL STATEMENTS (continued)

General Long-Term Debt Account Group

This account group is established to account for all long-term obligations which consists of two long-term capital leases as follows:

1. 53 month lease purchase of computer system with related software and maintenance at
2. 24 month lease purchase of computer software at 9%
3. 24 month lease purchase of printer at 9%

Maturities of future minimum payments are:

1996	\$ 7,347.08
1997	<u>1,871.89</u>
	\$ 9,218.97
Less amount representing interest	<u>515.77</u>
Present value on net minimum payments	<u>\$ 8,703.20</u>

The account groups are not funds. They are concerned only with the measurement of financial position and do not involve measurement of operations.

C. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The General Fund is accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The operating statement of the General Fund presents increases and decreases in net current assets. The modified accrual basis of accounting is used by the General Fund. The General Fund uses the following practices in recording revenues and expenditures.

1. Revenues

Ad valorem taxes are recorded in the year the taxes are assessed. Ad valorem taxes are assessed for the calendar year, become due on November 15th of each year, and become delinquent on December 31st. Interest income represents amounts earned on certificates of deposit and interest on delinquent taxes. Interest on the certificates of deposit is recorded when the certificate matures and the interest is available. The interest on the delinquent taxes is recorded when paid.

2. Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for principal and interest on long-term debt, which are recognized when paid.

D. Budget Practices

Formal budgetary accounting is employed as a management control for all funds of the Jefferson Davis Parish Assessor. An annual operating budget is adopted each year through the passage of an annual budget and amended as required for the general fund and the same basis of accounting is used to reflect actual revenues and expenditures/expenses recognized on a generally accepted accounting principles basis. Furthermore, the Jefferson Davis Parish Assessor also employs procedures in establishing the budgetary data reflected in these general purpose financial statements as follows:

1. The assessor prepares the proposed budget following Louisiana Revised Statute 39:1304.
2. A summary of the total proposed budget is published and the public notified that the proposed budget is available for public inspection.



JEFFERSON DAVIS PARISH ASSESSOR  
Jennings, Louisiana

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. After publication the budget is adopted.
4. The parish assessor has sole authority to make changes. The budget can be amended as set forth in Louisiana Revised Statute 39:1312 and Act 186 of 1984. All appropriations lapse at year end.
5. The annual budget for the general fund is prepared in accordance with the basis of accounting utilized by that fund.
6. The Jefferson Davis Parish Assessor does not use the encumbrance basis of accounting.

Informal budgetary integration was employed as a management control device during the year. Budgeted amounts included in the accompanying financial statements include the amended budget amounts.

E. Cash and Cash Equivalents

For reporting purposes, cash and cash equivalents include checking accounts and certificates of deposit (if applicable). Under state law, the Jefferson Davis Parish Assessor may deposit funds within a fiscal agent bank organized under the laws of the United States, or under the laws of the State of Louisiana, or any other state in the union. Further, the assessor may invest in time deposits or certificates of deposit of state banks organized under Louisiana Law and national banks having principle offices in Louisiana, or in obligations guaranteed by the federal government.

The Jefferson Davis Parish Assessor had cash and cash equivalents totaling \$ 39,507.92 at December 31, 1995. Cash and cash equivalents are stated at cost which approximated market. These deposits must be secured under state law by federal deposit insurance or the pledge of securities owned by the bank. The market value of the pledge securities plus the federal deposit insurance must at all times be equal to the amount on deposit with the bank. These pledged securities are held in the name of the pledging bank in a custodial bank that is mutually acceptable to the parties involved.

The following is a summary of cash and cash equivalents at December 31, 1995 with the related federal deposit insurance and pledged securities:

	<u>Balance</u> <u>12/31/95</u>	<u>FDIC</u> <u>Insurance</u>	<u>Balance</u> <u>Uninsured</u>
Bank Checking Account	\$ 39,507.92	100,000.00	0.00

F. Receivables

All receivables are reported at their net values, which is the gross receivable less the estimated portion that is expected to be uncollectible.

G. Fixed Assets

Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Account Group. Plant, property, and equipment acquired or constructed for general governmental operations are recorded as expenditures in the fund making the expenditure and capitalized at cost in the General Fixed Assets Group.

H. Fund Equity

Reservations of fund balance of governmental funds are created to either (1) satisfy legal covenants that require that a portion of the fund balance be segregated or (2) identify the portion of the fund balance that is not appropriate for future expenditures. The General Fund of the Jefferson Davis Parish Assessor has a fund balance that is unreserved and undesignated.

JEFFERSON DAVIS PARISH ASSESSOR  
Jennings, Louisiana

NOTES TO THE FINANCIAL STATEMENTS (continued)

**I. Vacation and Sick Leave**

The assessor has the following policies related to vacation and sick leave:

Full time employees accrue two weeks of vacation leave per year. Vacation leave must be used in the year it is accrued unless approval is obtained prior to the end of the year to carry over unused leave. Employees are not paid for unused vacation leave. At December 31, 1995, employees of the assessor had accumulated no employee leave benefits.

Employees are allowed sick leave when ill. While sick leave is not limited, the assessor reserves the right to substantiate the illness or require the employee to substantiate the illness. Employees are not allowed to accumulate sick leave.

**J. Total Column on Balance Sheet**

The total columns on the balance sheet are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in fund balance in conformity with generally accepted accounting principles.

**K. Ad Valorem Taxes**

The following is a summary of authorized and levied ad valorem taxes:

Assessment District	Authorized Millage	Levied Millage
1995	2.27	2.27
1994	2.27	2.27

The following are the principle taxpayers for the parish (assessed valuation expressed in thousands):

<u>Taxpayer</u>	<u>Type of Business</u>	1995 Assessed Valuation	% of Total Assessed Valuation
Colonial Pipeline Co.	Pipelines	\$ 4,117	3.80
Century Telephone of Evangeline	Telephone	3,432	3.16
Tennessee Gas Pipeline Co.	Pipelines	3,587	3.30
Gulf States Utilities	Utilities	3,213	2.96
Calcasieu Marine Nat'l Bank	Bank	2,292	2.11
Florida Gas Transmission	Pipelines	1,880	1.73
South Central Bell Telephone Co.	Telephone	1,928	1.78
Texas Gas Transmission	Pipelines	1,379	1.27
Wal-Mart stores, Inc.	Retail	2,061	1.99
Jeff Davis Bank & Trust	Bank	1,304	1.20
Total		<u>\$ 25,193</u>	<u>23.30</u>

**2. CHANGES IN GENERAL FIXED ASSETS**

A summary of changes in fixed assets follows:

	<u>Equipment</u>	<u>Furniture &amp; Fixtures</u>	<u>Total</u>
Balance - January 1, 1994	\$ 26,501.64	\$ 1,626.31	\$ 28,127.95
Additions 1994	142.37	0.00	142.37
1995	11041.89	0.00	11041.89
Deductions 1994	0.00	0.00	0.00
1995	0.00	0.00	0.00
Balance - December 31, 1995	<u>\$ 37,685.90</u>	<u>\$ 1,626.31</u>	<u>\$ 39,312.21</u>

JEFFERSON DAVIS PARISH ASSESSOR  
Jennings, Louisiana

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. PENSION PLAN

Substantially all employees of the Jefferson Davis Parish Assessor's office are members of the Louisiana Assessors Retirement System (System), a multiple-employer (cost-sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees.

All full time employees who are under the age of 60 at the time of original employment and are not drawing retirement benefits from any other public retirement system of Louisiana are required to participate in the System. Employees who retire at or after age 55 with at least 12 years of credited service or at or after age 50 with at least 30 years of creditable services are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final-average salary for each year of credited service, not to exceed 100 per cent of their final-average salary. final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination. The system also provides death and disability benefits. Benefits are established by state statute.

Contributions to the system include one-fourth of one per cent (one per cent for Orleans Parish) of the taxes shown to be collectible by the tax rolls of each parish. State statute required covered employees to contribute a percentage of their salaries to the system. As provided by Louisiana Revised Statute 11:03, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the period fiscal year.

The following provides certain disclosures for the assessor and the retirement system:

<u>Year Ended December 31, 1995</u>	
<u>Jefferson Davis Parish Assessor</u>	
Contribution rates:	
Employees	7.00%
Employer - January 1, 1994 thru September 30, 1994	6.50%
Employer - October 1, 1994 thru September 30, 1995	6.00%
Employer - October 1, 1995 thru December 30, 1995	5.00%
Total current year end payroll	122,274.24
Total current year payroll covered	122,274.24
Contributions:	
Employees	\$ 8559.18
Employers	7166.22

The following information was provided by the  
Louisiana Assessors Retirement System

Actuarially required contribution:	
Dollar amount	28,166.50
Percentage of total actuarially required contribution of all participating employers and employees	.68%

JEFFERSON DAVIS PARISH ASSESSOR  
Jennings, Louisiana

NOTES TO THE FINANCIAL STATEMENTS (continued)

The fiscal year of the system is from October 1 through September 30. The total payroll of all covered employees of the System for the year ended September 30, 1995 is not available, however, an estimated total payroll of all employees covered by the System for the year ended September 30, 1995 was obtained by projecting the prior-year payroll of covered employees as of September 30, 1994.

Estimated payroll for current year	\$ 17,824,000
Actuarially required contributions for dedicated taxes:	
Dollar amounts	1,759,133
Percent of estimated payroll	9.86
Actuarially required contributions for employers and employees:	
Dollar amounts	2,383,000
Percent of estimated payroll	13.36
Total actuarially required contribution:	
Dollar amount	4,142,133
Percent of estimated payroll	.2323
Net assets	\$ 62,833,560
Pension benefit obligation	97,653,424
Unfunded pension benefit obligation	34,820,168

The pension benefit obligation is a standardized measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rated benefits, estimated to be payable in the future as a result of employee service to date. Historical trend information showing the System's progress in accumulating sufficient assets to pay benefits when due is presented in the system's September 30, 1995 comprehensive annual financial report. Jefferson Davis Parish Assessor does not guarantee the benefits granted by the system.

**4. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS**

The Jefferson Davis Parish Assessor provides no continuing care and life insurance benefits for its retired employees.

**5. OPERATING LEASES**

The assessor has the following operating lease:

1. 3 year lease on Ford Windstar

The minimum annual commitments under non-cancelable leases are as follows:

1996	Auto Lease	\$ 5,489.52
1997	Auto Lease	5,032.06

Lease expenditures during 1995 and 1994 recorded in operating services were \$ 5118.38 and \$ 5084.64, respectively.

JEFFERSON DAVIS PARISH ASSESSOR  
Jennings, Louisiana

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. LONG-TERM OBLIGATIONS

Long-term obligations of the Jefferson Davis Parish Assessor are reported in the General Long-Term Debt Account Group. The Jefferson Davis Parish Assessor had long-term lease purchase as set forth in Note 1 B-2 at December 31, 1995. The following is a summary of the long-term debt transactions for the years ended December 31, 1994 and 1995.

Debt outstanding January 1, 1994	\$ 9,343.04
Additions 1994	0.00
Additions 1995	10,825.00
Repayments 1994	3,786.85
Repayments 1995	<u>7,677.99</u>
Debt outstanding December 31, 1995	<u>\$ 8,703.20</u>

7. RELATED PARTY TRANSACTIONS

The Jefferson Davis Parish Assessor had no related party transactions during 1995 and 1994.

8. EXPENDITURES OF THE ASSESSOR NOT INCLUDED IN THE FINANCIAL STATEMENTS

The assessor's office is located in the Jefferson Davis Parish Courthouse. The Jefferson Davis Parish Police Jury pays for the upkeep and maintenance of the parish courthouse. These expenditures are not reflected in the accompanying financial statements.

9. LITIGATION

There is no litigation pending against the Jefferson Davis Parish Assessor at December 31, 1995.

10. SUBSEQUENT EVENTS

There were no subsequent events involving the Jefferson Davis Parish Assessor that came to our attention as of the report date.

# FREDERICK, NORTON, ROBERT & SCHULTHESS

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
STRUCTURE BASED ON AN AUDIT OF THE GENERAL PURPOSE  
FINANCIAL STATEMENT PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS

To the Honorable Bryan D. LeJeune  
Jefferson Davis Parish Assessor  
Jennings, Louisiana

We have audited the general purpose financial statements of the Jefferson Davis Parish Assessor as of December 31, 1995 and for the two years then ended, and have issued our report thereon dated June 26, 1996.

We have conducted our audit in accordance with generally accepted auditing standards and Standards for Audits of Governmental Organizations, Programs, Activities, and Functions, promulgated by the United States General Accounting Office. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatements.

In planning and performing our audit of the general purpose financial statements of the Jefferson Davis Parish Assessor for the two years ended December 31, 1995, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control structure.

The management of the Jefferson Davis Parish Assessor is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgements by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objective of an internal control structure are to provide management with a reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of the inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projections of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, we have classified the significant internal control structure policies and procedures in the following categories:

Cash, Accounts Receivable, Accounts Payable, and Expenditures.

For all the control categories listed above, we obtained an understanding of the design of the relevant policies and procedures and whether they have been placed in operation, and we assessed control risk.

We noted a certain matter involving the internal control structure and its operation that we consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgement, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

We find that the limited number of personnel involved in the Jefferson Davis Parish Assessor's accounting system limits the segregation of duties consistent with appropriate control objectives creating a reportable condition. Due to the number of employees of the Jefferson Davis Parish Assessor it is impossible to implement the required segregation of duties consistent with appropriate control objectives without hiring additional employees which becomes cost prohibitive.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe the reportable condition described above is not a material weakness.

This report is intended for the information of the assessor, management, and the Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

*Frederick, Norton, Robert & Schultness*

FREDERICK, NORTON, ROBERT & SCHULTNESS

June 26, 1996

# FREDERICK, NORTON, ROBERT & SCHULTHESS

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## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS IN ACCORDANCE WITH GOVERNMENTAL AUDITING STANDARDS

To the Honorable Bryan D. LeJeune  
Jefferson Davis Parish Assessor  
Jennings, Louisiana

We have audited the general purpose financial statements of the Jefferson Davis Parish Assessor as of December 31, 1995 and for the two years the ended, and have issued our report thereon dated June 26, 1996.

We conducted our audit in accordance with generally accepted auditing standards and the standards for financial and compliance audits contained in the Standards for Audit of Governmental Organizations, Programs, Activities, and Functions, promulgated by the United States General Accounting Office. Those standards required that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Jefferson Davis Parish Assessor is the responsibility of management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of compliance with certain provisions of laws and regulations. However, it should be noted that our objective was not to provide an opinion on overall compliance with such provisions.

The results of our test indicate that, with respect to the items tested and the exception noted above, the Jefferson Davis Parish Assessor complied, in all material respects, with the provisions referred to in the preceding paragraph. With respect to items not tested nothing came to our attentions that caused us to believe that the assessor had not complied, in all material aspects, with those provisions.

This report is intended for the information of the assessor, management, and the Legislative Auditor. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

*Frederick, Norton, Robert & Schultness*

FREDERICK, NORTON, ROBERT & SCHULTHESS

June 26, 1996